

## Community resources

[Follow us on Twitter](#) [Check our Reddit](#) [Twitter this](#) [Digg this page](#) [Contact us on IRC](#)

*courage is contagious*

## Viewing cable 09ASUNCION681, PREPPING FOR A/S VALENZUELA: PARAGUAY'S FOREIGN MINISTER ON

If you are new to these pages, please read an introduction on the [structure of a cable](#) as well as how to [discuss them](#) with others. See also the [FAQs](#)

### Understanding cables

Every cable message consists of three parts:

- The top box shows each cables unique reference number, when and by whom it originally was sent, and what its initial classification was.
- The middle box contains the header information that is associated with the cable. It includes information about the receiver(s) as well as a general subject.
- The bottom box presents the body of the cable. The opening can contain a more specific subject, references to other cables ([browse by origin](#) to find them) or additional comment. This is followed by the main contents of the cable: a summary, a collection of specific topics and a comment section.

To understand the justification used for the classification of each cable, please use this [WikiSource](#) article as reference.

### Discussing cables

If you find meaningful or important information in a cable, please link directly to its unique reference number. Linking to a specific paragraph in the body of a cable is also possible by copying the appropriate link (to be found at the paragraph symbol). Please mark messages for social networking services like Twitter with the hash tags **#cablegate** and a hash containing the reference ID e.g. **#09ASUNCION681**.

Reference ID	Created	Released	Classification	Origin
<a href="#">09ASUNCION681</a>	<a href="#">2009-12-15 17:25</a>	<a href="#">2011-08-30 01:44</a>	<a href="#">CONFIDENTIAL</a>	<a href="#">Embassy Asuncion</a>

Appears in these articles:

[www.abc.com.py/nota/ni-si-se-viste-de-papa-noel-chavez-ingresara-al-mercosur](#)

VZCZCXYZ0020  
OO RUEHWEB

DE RUEHAC #0681/01 3491725  
ZNY CCCCC ZZH  
O R 151725Z DEC 09  
FM AMEMBASSY ASUNCION  
TO RUEHC/SECSTATE WASHDC IMMEDIATE 0285  
INFO MERCOSUR COLLECTIVE  
RHMFISS/HQ USSOUTHCOM MIAMI FL  
RUCQSAB/USSOCOM INTEL MACDILL AFB FL  
RUEHBO/AMEMBASSY BOGOTA  
RUEHCV/AMEMBASSY CARACAS  
RUEHTG/AMEMBASSY TEGUCIGALPA 0001

id: 240025  
date: 12/15/2009 17:25  
refid: 09ASUNCION681  
origin: Embassy Asuncion  
classification: CONFIDENTIAL  
destination:  
header:  
VZCZCXYZ0020  
OO RUEHWEB  
DE RUEHAC #0681/01 3491725  
ZNY CCCCC ZZH  
O R 151725Z DEC 09

FM AMEMBASSY ASUNCION  
TO RUEHC/SECSTATE WASHDC IMMEDIATE 0285  
INFO MERCOSUR COLLECTIVE  
RHMFISS/HQ USSOUTHCOM MIAMI FL  
RUCQSAB/USSOCOM INTEL MACDILL AFB FL  
RUEHBO/AMEMBASSY BOGOTA  
RUEHCV/AMEMBASSY CARACAS  
RUEHTG/AMEMBASSY TEGUCIGALPA 0001

----- header ends -----

C O N F I D E N T I A L ASUNCION 000681

SIPDIS

WHA/FO CMCMULLEN, WHA/BSC MDRUCKER, BFRIEDMAN, MDASCHBACH

E.O. 12958: DECL: 2034/12/15

TAGS: [PGOV](#) [CVIS](#) [ECON](#) [PREL](#) [MASS](#) [PA](#) [IR](#)

SUBJECT: PREPPING FOR A/S VALENZUELA: PARAGUAY'S FOREIGN MINISTER ON REGIONAL RELATIONS

CLASSIFIED BY: Perry Holloway, DCM; REASON: 1.4(B), (D)

¶1. (C) SUMMARY: Ambassador and Foreign Minister Lacognata met December 10 to review the bilateral agenda before WHA Assistant Secretary Valenzuela's December 17-18 visit. The Ambassador told Lacognata that we believe the investment climate is deteriorating. She also expressed concern about the sustainability of the Joint Special Forces Battalion (BCFE). Lacognata pumped the Ambassador for U.S. views of the Paraguayan People's Army (EPP), worried that the Zevala kidnapping was ongoing after 60 days. The Ambassador said we see the EPP as a small, manageable group, but that the GOP needs to isolate them before they have the opportunity to grow. Lacognata expressed frustration that the public views Lugo as following Venezuela's Hugo Chavez. He said that while Brazil will likely approve Venezuela's entry into MERCOSUR, "it won't happen here even if Chavez dresses up like Santa Claus." On the Colombian DCA, Lacognata criticized Chavez's efforts to unite regional players around his own agenda and an external enemy (the U.S.), but viewed Chavez as increasingly isolated. On Honduras, Lacognata said Paraguay would see how Lobo governs and if he can gain the confidence of all sectors. He said Paraguay's position was not set in stone, but that they worried about the precedent of getting rid of "a government that nobody likes." Lacognata lamented that Lugo's impeachment appears to be a permanent topic of discussion. He thinks the votes are being gathered for impeachment, but that two political sectors are blocking impeachment for now. The Foreign Minister showed himself to be frank, pragmatic, and concerned about maintaining close relations with the U.S. While the GOP does not see eye-to-eye with us on all issues (e.g., Honduras), its positions were rational given their domestic context, particularly regarding a growing frustration with Lugo's inability to lead. While most political actors tell us that impeachment remains only a possibility for now, we are closely monitoring the situation. END SUMMARY.

-----  
COMMERCIAL ISSUES

¶2. (C) The Ambassador, accompanied by DCM and Pol/Econ Chief (notetaker), informed Lacognata, who was flanked by Vice Minister Caceres and three other staff members, that we believe the investment climate in Paraguay is deteriorating, which would be reflected in our upcoming Investment Climate Report. The Foreign Minister said there is only so much he can do since his ministry is not part of the GOP's economic cabinet. He and his team were familiar with the Crescent Oil litigation (DCM provided an update), but inquired if there were other pending claims/cases. The Ambassador noted that the Embassy's commercial section was seeing an increased number of preliminary complaints/concerns from U.S. businesses. The Paraguayans underscored the importance of ATPA trade benefits for Paraguay, and their continued interest in lobbying the U.S. Congress for trade preferences.

-----  
MIL-TO-MIL RELATIONS

¶3. (C) Regarding the Joint Special Forces Battalion (BCFE), the Ambassador expressed concern about whether the Paraguayan government had plans to sustain the unit via this year's budget. She noted that the BCFE, whose primary mission is anti-terrorism, was not being used to respond to the Zavala kidnapping. Lacognata said the BCFE's deployment was likely complicated by recent changes in military leadership, but was not sure why the unit was not deployed. Lacognata surmised that the GOP's decision not to use the BCFE was a political one, and would have its consequences. The

Foreign Minister hoped that CECOPAZ, Paraguay's brand-new engineering company to be deployed on UN peacekeeping missions, would be ready by January to go to Chad.

14. (C) Lacognata pumped the Ambassador for U.S. views of the Paraguayan People's Army (EPP), worried that the Zavala kidnapping was ongoing after 60 days. The Ambassador said we see the EPP as a small, manageable group, but that the GOP needs to isolate them before they have the opportunity to grow. Lacognata asked about the EPP's agenda, and the Ambassador responded that their goal appears to be to destabilize the government, not to topple it (e.g. they are not viewed as a threat in terms of political ambition or popular support). The Foreign Minister said he doubted the EPP's existence as recently as two to three years ago, but is now worried about their potential political/economic impact (particularly if Zavala does not emerge alive).

-----  
VENEZUELA  
-----

15. (C) Lacognata expressed frustration that the public views Lugo as following Venezuelan President Hugo Chavez. Quipping that his strategy was to continue asking questions in an effort to keep the Ambassador from asking him questions, Lacognata solicited the Ambassador's view on whether Lugo is a Chavista. The Foreign Minister said when he interacts with the press, he asks them to give him two examples of a Chavista policy of the Lugo government, and they can't. Lacognata admitted that Lugo is ambivalent and unclear, and that he allows others to clarify his policies for him. He said "I'm a socialist but I know that doesn't sell in Paraguay right now." Socialism is a "romantic" idea; the reality is "something else." The Foreign Minister highlighted the GOP's pragmatism, and was not sure how to change the GOP's image. He lamented that the government's biggest challenge is Paraguay's biased, unprofessional media. He said his children all want to leave Paraguay because of the constant negativity in the press centered on Lugo. (NOTE: He said that although the Zavala kidnapping was only one case; it was like a new kidnapping every day because it dominates headlines. He wished that the press would agree not to damage Paraguayan institutions. END NOTE).

16. (C) On MERCOSUR, Lacognata said that while Brazil will likely approve Venezuela's entry into MERCOSUR, "it won't happen here even if Chavez dresses up like Santa Claus." Lacognata recognized Brazil's (not Venezuela's) lead in MERSOSUR. UNASUR, however, he described as the first victim of regional polarization, given that Venezuela, Colombia and Peru have irreconcilable positions. He noted that Ecuador voted with Venezuela in the past, but now appears to have an independent agenda because Ecuador sees Chavez as a "dead weight." Lacognata criticized Chavez for his negative agenda in regional organizations. He thought UNASUR was a waste of time, lamenting that the participants could not even agree on a final declaration at the close of their meetings.

17. (C) Regarding the Colombian DCA, Lacognata criticized Chavez's efforts to unite regional players around his own agenda and an external enemy (the USG), but viewed Chavez as increasingly isolated. He also mentioned that Venezuela was annoyed with him for saying that Chavez was creating political tension over the Colombian DCA.

-----  
HONDURAS  
-----

18. (C) Lacognata said the GOP position on Honduras, based on the OAS position, is to see how Lobo governs and if he can gain the confidence of all sectors. He said Paraguay's position was not set in stone, but that they worried about the negative precedent of getting rid of "a government that nobody likes." Lacognata recognized that the elections were an opportunity to normalize the situation, but questioned whether elections could be free/fair in a repressive environment. He said that under Stroessner, Paraguay had "brilliant" elections every five years in which no incidents were reported, but they were merely a ritual. Lacognata said elections are not a one-day event, but a months-long process. And in the case of Honduras, he said, there were threats to the opposition, the media, etc. "We're sensitive to what is happening in Honduras," he said, "because we're afraid we're on the menu." In Paraguay, however, it would likely be impeachment, and not a coup, that would interrupt Lugo's presidency. Impeachment would be institutional according to Lacognata, but would break up the democratic process and show that alternating power in Paraguay was not possible. He worried about Paraguay's fragile institutions,

and said "we don't want to feed any similar tendencies here." He also noted that many Hondurans believed the coup was appropriate because they had to stop Chavez from meddling in their internal affairs. In short, he said, "we will talk to the new Honduran government, and like Brazil, see what happens." He noted that Paraguay would stick with MERCOSUR on this issue.

-----  
IMPEACHMENT  
-----

¶9. (C) Lacognata lamented that Lugo's impeachment appears to be a permanent topic of discussion. He said many actors are looking for instability and ingovernability. He thinks the votes are being gathered for impeachment, but that two political sectors (Beloved Fatherland, or PQ, and Castiglioni's faction of the Colorado Party) are blocking impeachment for now. Either, he said, could change their position if the middle class pushed them to act based on fear of Chavez or leftist influence, or based on a major Lugo misstep. (NOTE: This is why Paraguay's biased media pushed the image of Lugo as a Chavista, knowing that it could tip the scales against him. END NOTE). He repeated that impeachment is not equivalent to a coup, but said the Colorados don't want to see Liberal Frederico Franco as president, which serves to delay possible impeachment proceedings. (COMMENT: Like Lacognata, Embassy does not believe that there are the votes for impeachment, but will continue to monitor. END COMMENT).

-----  
IRAN  
-----

¶10. (C) Ambassador took advantage of the meeting to demarche the Foreign Minister on Iran's announcement to open ten new uranium enrichment plants. Lacognata said Paraguay has had less contact with Iran than any other country in the region, partly because of the Persian-Arab issue and the large Arab population in Paraguay. He said Paraguay does not have diplomatic representation to Iran (not even concurrent), and that they declined Iran's overtures for a visit when President Mahmoud Ahmadinejad was in the region. (NOTE: Lacognata noted that Paraguay will open embassies in Qatar, Saudi Arabia, Morocco, Indonesia and Sweden). Other than that, he said Paraguay had not defined a position on Iran.

-----  
DEPORTATION CASE  
-----

¶11. (C) Regarding the Liberal Party official to be deported to Paraguay after illegally entering the United States, Lacognata said the Liberals (really, one vocal Liberal deputy) were making noise about the case in order to "defend their own." The Foreign Minister said he had gone beyond the call of duty to try to accommodate political requests to name Noguera to Paraguay's consulate in New York, but had pulled back the nomination after speaking to Ambassador (and learning about Noguera's illegal overstay in the United States). Lacognata said that after Noguera knowingly presented an expired diplomatic passport at the border, he can no longer claim he is a victim. Noguera told officials working in the Paraguayan Embassy in Washington that he made a mistake, but had been treated well by U.S. authorities. Lacognata was sorry the issue made such a big splash in the local press.

-----  
COMMENT  
-----

¶12. (C) As before, the Foreign Minister showed himself to be frank, pragmatic, and concerned about maintaining close relations with the United States. While the GOP does not see eye-to-eye with us on all issues (e.g., Honduras), their positions as articulated by Lacognata were rational given their domestic context, particularly regarding a growing frustration with Lugo's inability to lead. While most political actors tell us that impeachment remains only a possibility for now, we are closely monitoring the situation, and are being careful to stay out of this highly charged, domestic political issue. END COMMENT.

AYALDE

=====CABLE ENDS=====